

**BOISE, WEDNESDAY, JANUARY 11, 2023, AT 8:50 A.M.**

**IN THE SUPREME COURT OF THE STATE OF IDAHO**

<b>IDAHO POWER COMPANY, an Idaho</b>	)	
<b>corporation; and AVISTA CORPORATION,</b>	)	<b>Docket No. 49126</b>
<b>a Washington corporation,</b>	)	
	)	
<b>Plaintiffs-Respondents-</b>	)	
<b>Cross Appellants,</b>	)	
	)	
<b>v.</b>	)	
	)	
<b>IDAHO STATE TAX COMMISSION, in its</b>	)	
<b>capacity as the STATE BOARD OF</b>	)	
<b>EQUALIZATION,</b>	)	
	)	
<b>Defendant-Appellant-</b>	)	
<b>Cross Respondent.</b>	)	

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Appeal from the District Court of the Fourth Judicial District, State of Idaho, Ada County.  
Patrick Miller, District Judge.

Lawrence G. Wasden, Idaho Attorney General, Boise, for appellant/cross respondent.

Hawley Troxell Ennis & Hawley LLP, Boise, for respondents/cross appellants.

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This appeal concerns the taxation of operating property within Idaho. The Idaho State Tax Commission (the “Commission”), in its capacity as the State Board of Equalization, is responsible for equalizing the assessments of operating property for tax purposes. Idaho Power Company and Avista Corporation (collectively the “Companies”) contested the Commission’s assessments of their property during 2019 and 2020 before the Commission, asserting that those assessments violated the proportionality and uniformity requirements set out in Article VII, sections 2 and 5 of the Idaho constitution. The Commission denied the Companies’ challenge and upheld its prior assessments.

The Companies then challenged the Commission’s decision in district court, arguing that the Commission had erred in two ways. First, the Companies argued that, because the Commission had reduced the assessed values of certain railroads’ operating property in compliance with federal law, the Companies’ assessed values were unconstitutionally assessed at a higher percentage of actual cash value. Second, the Companies argued that commercial property had been assessed at a lower percentage of actual cash value, rendering the Companies’ operating property unconstitutionally assessed. The district court granted summary judgment to the Commission as to the Companies’ first argument. However, the district court concluded genuine issues of material

fact existed as to the Companies' second argument and declined to grant the Commission's request for summary judgment. The district court granted the Commission's request for a permissive appeal, and this appeal followed.